

Cerrillos Land Company

6200 Uptown Blvd. NE, Suite 400
Box 27019
Albuquerque, New Mexico 87125
505/881-3050

June 18, 1991

Mr. William J. Weis
Field Investigations and Enforcement
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, California 94105-3901

Subject: Bluewater Uranium Preliminary Assessment Data

Dear Mr. Weis:

Per our telephone conversation, I am enclosing the following material:

- Attachment A: Map of the Brown-Vandever uranium mine site.
- Attachment B: Mineral take-off of McKinley County court records for Section 13 T13N R11W, and Section 19 T13N R10W.
- Attachment C: Mineral leasing history for Section 13 T13N R11W, and Section 19 T13N R10W.
- Attachment D: Corporate chronology.
- Attachment E: Settlement documents in Santa Fe Pacific Railroad Company vs. Berryhill.

Additional information on royalty payments and production is being researched by Cerrillos Land Company.

Sincerely,



Tim Leftwich
Director-Environmental Quality

TL:pt

Enclosures

MINERAL TAKE-OFF

June 13, 1991

TOWNSHIP-13-NORTH, RANGE-11-WEST, N.M.P.M.
Section 13: SW¹/₄, McKinley County, New Mexico

A. OWNERSHIP OF SURFACE ESTATE

Elkins Real Estate
P.O. Box 50
Prewitt, New Mexico 87045

B. OWNERSHIP OF MINERAL ESTATE

Cerrillos Land Company*
6200 Uptown Blvd. N.E.
Albuquerque, New Mexico 87110

*Subject to stipulation affecting royalty (to Berryhill); SFP No. 42647; see also Cause No. 8287 in the District Court of McKinley County, New Mexico.

C. MINERAL ACTIVITY (1-1-50 to 6-3-91)

Copies of listed instruments are attached. Names of Grantors and Grantees have been shortened or abbreviated in some cases.

<u>RECORDING DATE</u>	<u>INSTRUMENT</u>	<u>GRANTOR</u>	<u>GRANTEE</u>	<u>BK/PG</u>	<u>REMARKS</u>
7-20-60	QCD	Adrian Berryhill, et ux	1st National Bank, et al, Trustees	10QC/357	.0375% roy.
7-20-60	QCD	Adrian Berryhill, et ux	1st National Bank, et al, Trustees	10QC/359	.0375% roy.
6-27-61	Pur. Agr.	Haystack Mountain Development Co.	Phillips Petroleum Company	42MS/97	ore purchase
2-26-62	QCD	1st National Bank, et al, Trustees	Linda English, S.S.P. ¹	11QC/169	.075% roy.
3-28-63	Assn.	Phillips Petroleum Company	United Nuclear Corporation	46MS/462	ore purchase
11-15-73	Ex. Deed	Adrian Berryhill, exec. for the Est. Linda Berryhill	Childrens Hospital Association	21D/871	.075% roy.
10-9-80	OGL	SFPRR	S.F. Energy Co.	51LS/705	
10-30-81	Spec. WD	Elkins Ranch, Inc.	Elkins Real Estate ²	32D/639	
9-27-83	Spec. WD	SFPRR	Cerrillos Land Co. ³	35D/97	
8-6-84	Part. Rel.	S.F. Energy Co.	SFPRR	54LS/888	
7-9-86	Corr. Spec. WD	SFPRR	Cerrillos Land Co. ³	39D/105	
10-16-86	2nd. Corr. Spec. WD	SFPRR	Cerrillos Land Co. ³	39D/545	
7-3-90	Memo OGL	Cerrillos Land Co.	S.F. Energy Co.	2Comp/1630	
7-30-90	Memo OGL	Hospah Coal Co.	S.F. Energy Co. ⁴	2Comp/1632	

MINERAL TAKE-OFF
June 13, 1991
McKinley County, N.M.

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RECORDING DATE	INSTRUMENT	GRANTOR	GRANTEE	BK/PG	REMARKS
5-2-90	Lease Opt.	AT&SF RR	S.F. Energy Co. ⁵	1Comp/6652	
9-10-90	Memo Agr.	S.F. Energy Co.	Merrion Oil and Gas Corporation	2Comp/3230	

NOTES

1. These conveyances, pertaining to royalty interest, refer to a stipulation in Cause No. 8287 in the District Court of McKinley County, New Mexico, dated April 4, 1952. A copy of this instrument will be procured and forwarded to you.
2. Although this instrument probably conveys the surface estate only, it was included in this take-off because the mineral estate is not specifically excluded from this Special Warranty Deed, and a full take-off beginning from the federal patent was not conducted to insure the extent of Elkins' ownership in this tract. My examination and take-off began 1-1-50.
3. The interest in the subject tract being conveyed by these instruments is subject to a stipulation affecting a royalty to Berryhill, SFP No. 42647. This may be the same instrument referred to in Note No. 1, above.
4. This is a blanket conveyance by Hospah Coal Company. It does not appear that Hospah has ever owned an interest in this tract; however, this instrument was indexed by the title company under this section (Section 13), and, because my take-off did not begin at patent, I cannot be certain of this fact. It, therefore, was included.
5. This is a blanket lease option by AT&SF RR. It does not appear that AT&SF RR owns an interest in this tract; however, this instrument was indexed by the title company under this section, and, because my take-off began 1-1-50, instead of at patent, I cannot be certain of this fact. Thus, it was included.

STEVE JORDAN, J.D.
PETROLEUM AND MINERAL LAND SERVICES
6500 MONTGOMERY N.E., NO. 210
ALBUQUERQUE, NEW MEXICO 87109
(505) 883-8107

Steve Jordan, J.D.

MINERAL TAKE-OFF

June 16, 1991

TOWNSHIP-13-NORTH, RANGE-11-WEST, N.M.P.M.
Section 19: All, McKinley County, New Mexico

A. OWNERSHIP OF SURFACE ESTATE

1. Frances Laree Fathree, a married woman dealing in her separate property
P.O. Box 125
Continental Divide, New Mexico 87312 1/2
2. Donna Jean McKinnon, a married woman dealing in her separate property
Address unknown 1/2

B. OWNERSHIP OF MINERAL ESTATE

Cerrillos Land Company*
6200 Uptown Blvd. N.E.
Albuquerque, New Mexico 87110

*Subject to a stipulation affecting royalty (to Berryhill); SFP No. 42647; see also Cause No. 8287 in the District Court of McKinley County, New Mexico.

C. MINERAL ACTIVITY (1-1-50 to 6-3-91)

Copies of listed instruments are attached. Names of Grantors and Grantees have been shortened or abbreviated in some cases.

RECORDING DATE	INSTRUMENT	GRANTOR	GRANTEE	BK/PG	REMARKS
7-31-51 ✓	P/L	Alfred Hutton:	Bachelor Mining Claim	10MS/374	
6-27-52 ✓	P/L	F.A. Sitton:	Bachelor Mining Claim	11MS/445	
7-20-60 ✓	QCD	Adrian Berryhill, et ux	1st Nat'l Bank, et al, Trustees ¹	10QC/357	.0375% roy.
7-20-60 ✓	QCD	Adrian Berryhill, et ux	1st Nat'l Bank, et al, Trustees ¹	10QC/359	.0375% roy.
6-27-61 ✓	Pur. Agr.	Haystack Mountain Development Co.	Phillips Petroleum Company	42MS/97	ore purch.
2-26-62	QCD	1st Nat'l bank et al, Trustees	Linda English, S.S.P. ¹	11QC/69	.075% roy.
3-28-63 ✓	Assn.	Phillips Petroleum Company	United Nuclear Corp.	46MS/462	ore purch.
10-7-69 ✓	Lease	SFPRR	United Nuclear Corp.	42LS/324	
8-2-72	Rel.	United Nuclear Corp.	SFPRR	44LS/235	rel. 42LS/324
11-15-73	Ex. Deed	Adrian Berryhill, exec. of Estate of Linda Berryhill	Childrens Hospital Association ¹	21D/871	.075% roy.
7-14-75	Fin. St.	George Warnock	Homestake Mining Co.	67MS/861	N $\frac{1}{2}$ NW $\frac{1}{4}$

MINERAL TAKE-OFF

June 16, 1991
 T13N, R19W; Sec. 19:All
 McKinley County, N.M.

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RECORDING DATE	INSTRUMENT	GRANTOR	GRANTEE	BK/PG	REMARKS
10-9-80	OGL	SFPRR	Santa Fe Energy Company	51LS/705	
9-27-83	Spec. WD	SFPRR	Cerrillos Land Co. ²	35D/97	
8-6-84	pt. rel.	Santa Fe Energy Company	SFPRR	54LS/888	
7-9-86	Corr. Spec. WD	SFPRR	Cerrillos Land Co. ²	39D/105	
10-10-86	2nd Corr. Spec. WD	SFPRR	Cerrillos Land Co. ²	39D/545	
5-2-90	Lease Opt.	AT&SF RR	Santa Fe Energy ³ Company	1Comp/6652	
7-30-90	Memo OGL	Cerrillos Land Co.	Santa Fe Energy Company	2Comp/1630	
7-30-90	Memo OGL	Hospah Coal Co.	Santa Fe Energy ⁴ Company	2Comp/1632	
9-10-90	Memo Agr.	Santa Fe Energy Company	Merrion Oil and Gas Corporation	2Comp/3230	
10-18-82	Supp. Agr.	SFPRR	Pathfinder Minerals Corp.	53LS/641	copy to be forwarded

NOTE: At your instructions, this list does not contain Mining Location Notice filings, but it does contain all Proof of Labor filings (P/L).

NOTES:

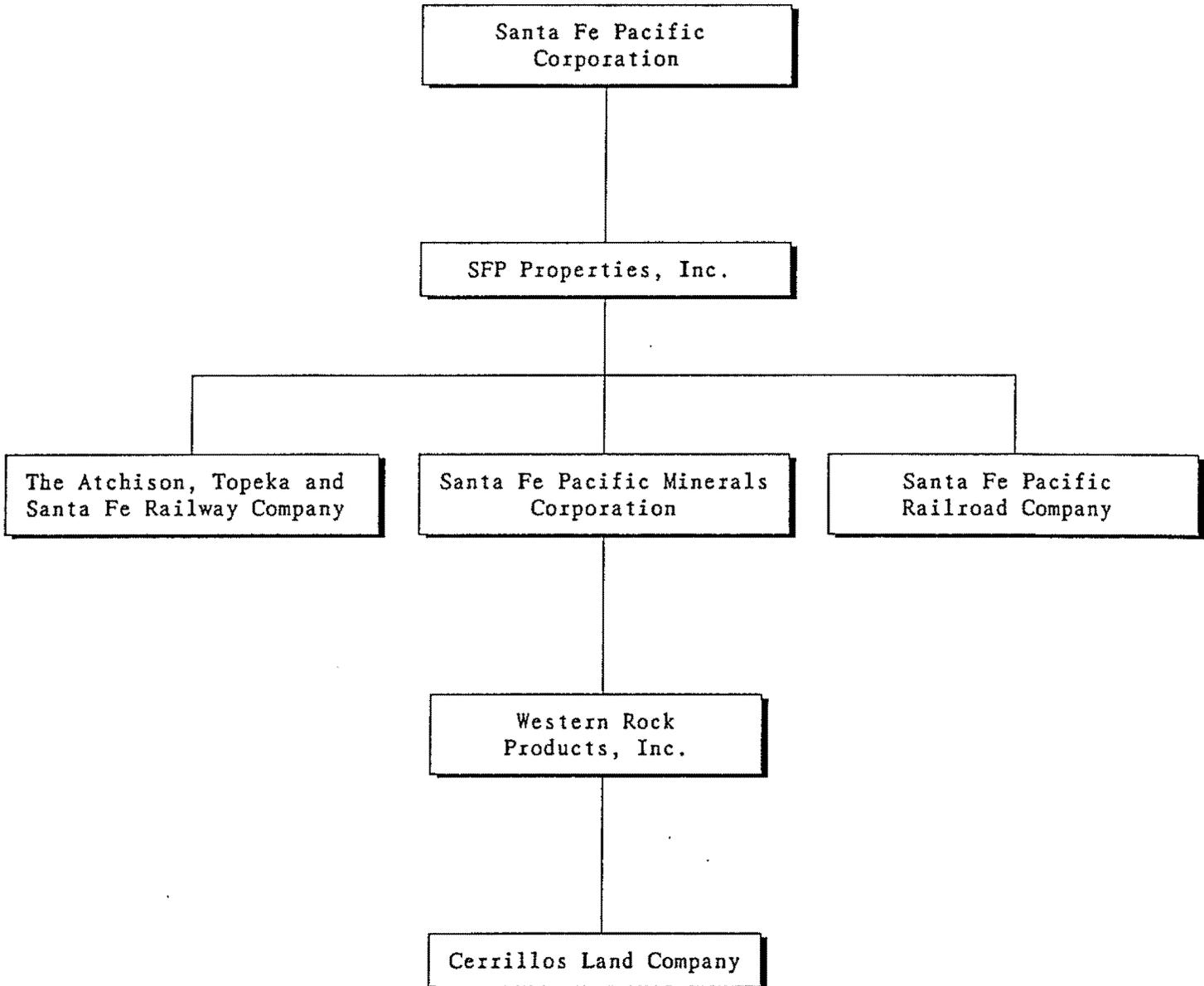
1. These conveyances, pertaining to a royalty interest, refer to a stipulation in Cause No. 8287 in the District Court of McKinley County, New Mexico, dated April 4, 1952. A copy of this instrument will be ordered and forwarded to you.
2. The interest in the subject land being conveyed by these instruments is subject to a stipulation affecting a royalty to Berryhill, SFP No. 42647. This may be the same instrument referred to in Note No. 1, above.
3. This is a blanket lease option by AT&SF RR. It does not appear that AT&SF RR owns an interest in this tract; however, this instrument was indexed by the title company under this section, and, because my take-off began 1-1-50, instead of at patent, I cannot be certain of this fact. Thus, it was included.
4. This is a blanket conveyance by Hospah Coal Company. It does not appear that Hospah has owned an interest in this section; however, this instrument was indexed by the title company under this section, and, because my take-off did not begin at patent, I cannot be certain of this fact. Thus, it was included.

STEVE JORDAN
 PETROLEUM AND MINERAL LAND SERVICES
 6500 MONTGOMERY N.E., NO. 210
 ALBUQUERQUE, NEW MEXICO 87109
 (505) 883-8107

CORPORATE CHRONOLOGY

- Dec. 12, 1895 The Atchison, Topeka and Santa Fe Railway Company incorporated as Kansas corporation.
- June 16, 1897 Santa Fe Pacific Railroad Company incorporated as Federal corporation; stock acquired by The Atchison, Topeka and Santa Fe Railway Company.
- June 24, 1897 Santa Fe Pacific Railroad Company acquired properties of the Western Division of the Atlantic & Pacific Railroad Company.
- Oct. 15, 1951 Haystack Mountain Development Company incorporated as Delaware corporation.
- Dec. 4, 1967 Santa Fe Industries, Inc., incorporated as Delaware corporation.
- Oct. 30, 1969 AT&SF, Inc., incorporated as Delaware corporation and subsidiary of Santa Fe Industries, Inc.
- March 24, 1970 The Atchison, Topeka and Santa Fe Railway Company (Kansas) merged into AT&SF, Inc.; the survivor changed its name to The Atchison, Topeka and Santa Fe Railway Company (Delaware).
- March 24, 1970 Santa Fe Industries, Inc., replaced The Atchison, Topeka and Santa Fe Railway Company as a NYSE listed and traded company.
- June 5, 1978 Santa Fe Pacific Railroad Company stock transferred to Santa Fe Industries, Inc.
- March 14, 1983 Santa Fe Pacific Minerals Corporation incorporated as Delaware corporation and subsidiary of Santa Fe Industries, Inc.
- March 21, 1983 Cerrillos Land Company incorporated as Delaware corporation and subsidiary of Santa Fe Pacific Minerals Corporation.
- Sept. 27, 1983 Santa Fe [Southern] Pacific Corporation incorporated as Delaware corporation.
- Dec. 23, 1983 Santa Fe [Southern] Pacific Corporation became parent of Santa Fe Industries, Inc., and Southern Pacific Corporation.
- April 27, 1987 Haystack Mountain Development Company merged into The Atchison, Topeka and Santa Fe Railway Company.
- Sept. 1, 1987 Western Rock Products, Inc., stock transferred to Santa Fe Pacific Minerals Corporation.
- Nov. 13, 1989 Santa Fe Industries, Inc., merged into SFP Properties, Inc., formerly Southern Pacific Corporation.
- Dec. 18, 1989 Cerrillos Land Company stock transferred to Western Rock Products, Inc.

CURRENT PERTINENT STRUCTURE



AMBROSIA LAKE HISTORY

SECTION 13, T.13N. R.11W.

SECTION 19, T.13N. R.10W.

Section 13, T.13N. R.11W. (SW/4)

1. First leased, September 30, 1952, from Santa Fe Pacific Railroad Company to Haystack Mountain Development Company (SFP-99989). Section leased until November 30, 1961. Haystack Mountain Development Company mined U_3O_8 during this period. Haystack Mountain Development Company was a subsidiary of The AT&SF Railway Company and was later merged into it.
2. On October 11, 1974, this property was leased to George Warnock (SFP-9945), for a period of 3 years. The lease was replaced by SFP-9961. Minimal exploration work occurred.
3. On October 11, 1975, the property was leased to Todilto Exploration and Development Corporation, (George Warnock's company, SFP-9961). There was production under the lease which terminated October 11, 1983.

There has been no activity on the property since October, 1983.

Section 19, T.13N. R.10W. (All)

1. First leased, September 30, 1952, from Santa Fe Pacific Railroad Company to Haystack Mountain Development Company (SFP-99989). Section leased until November 30, 1961. Haystack Mountain Development Company mined U_3O_8 during this period. Haystack Mountain Development Company was a subsidiary of The AT&SF Railway Company and was later merged into it.
2. On December 1, 1961, SFPRR entered into a Contract for Construction and Other Work on Section 19 with Henri T. Dole. An identical contract has originally been entered into with Haystack Mountain Development Company on April 19, 1960. It was terminated as of December 1, 1961, and the new one signed (SFP-114492). This contract expired December 1, 1967. There was production of U_3O_8 during the term of this contract.
3. On April 15, 1975, Santa Fe Pacific Railroad Company entered into a Uranium Mining Lease and Agreement with George Warnock (later assigned to Warnock's company, Todilto Exploration and Development Company). Mining occurred through early 1981. The lease was terminated in February, 1985. The lease number was SFP-9950, and it covered only the N/2 NW/4 of Section 19.

AMBROSIA LAKE HISTORY

SECTIONS 23 AND 25, T.13N. R.10W.

Section 23, T.13N. R.10W.

1. First leased, September 30, 1952, from Santa Fe Pacific Railroad Company to Haystack Mountain Development Company (SFP-99989). Section leased until November 30, 1961. Haystack Mountain Development Company mined U₃O₈ during this period. Haystack Mountain Development Company was a subsidiary of The AT&SF Railway Company and was later merged into it.
2. Section 23 was included in the Contract for Construction and Other Work with Henri T. Dole from Santa Fe Pacific Railroad Company (SFP-114492). This was an identical contract, dated April 19, 1960, to one which Dole had with Haystack Mountain Development Company (HMD-27) which was terminated on December 1, 1961. This contract expired December 1, 1967. There was production of U₃O₈ during the term of the contract.
3. Section 23 was leased to United Nuclear Corporation, August 1, 1969 (SFP-9832). This contract terminated July 30, 1973. There was exploration under the lease, but the production appears to have come from Section 25 to the southwest, also under the lease.
4. Letter Agreement dated July 15, 1979, with Duane Berryhill, surface owner, agreeing Berryhill has the right to remove limestone for construction purposes subject to a royalty to SFPRR.

Section 25, T.13N. R.10W.

1. First leased, September 30, 1952, from Santa Fe Pacific Railroad Company to Haystack Mountain Development Company (SFP-99989). Section leased until November 30, 1961. Haystack Mountain Development Company mined U₃O₈ during this period. Haystack Mountain Development Company was a subsidiary of The AT&SF Railway Company and was later merged into it.
2. On December 1, 1961, SFPRR entered into a Contract for Construction and Other Work on Section 25 with Henri T. Dole (SFP-114492). This was identical to a contract Dole had with Haystack Mountain Development Company, dated April 19, 1960, which was terminated December 1, 1961. The contract expired December 1, 1967. There was production of U₃O₈ during the term of the contract.

3. On February 5, 1963, SFPRR leased 84.72 acres in the NE/4 of Section 25 to Farris Mines, which later assigned the lease to Smith Development Company. The lease expired February 5, 1971. There was production of U_3O_8 during the term of this contract (SFP-9713).
4. The rest of Section 25 was leased to United Nuclear, August 1, 1969 (SFP-9832) from Santa Fe Pacific Railroad Company. There was production from this section during the term which ended July 30, 1974.
5. Petrodynamics, Inc., leased 82.84 acres in Section 25, from SFPRR on February 5, 1971 (previously leased under 3. above). This lease was quitclaimed back to SFPRR on February 4, 1974. The lease number is SFP-9882. It is not clear from the records whether this company did any work on the property.
6. Lease SFP-9934, dated February 5, 1974, was entered into between SFPRR and Citrus County Land Bureau, Inc., covering 82.84 acres in the NE/4 of Section 25 (the subject of leases in 3. and 5. above). This lease was assigned to WECO Development on April 1, 1976, and to Reserve Oil and Minerals Corporation on August 25, 1986. There was production under the lease, but it was from the Poison Canyon Mine in Section 19 in T.13N. R.9W.

Terry Brubaker	ERS-Chief	415-744-2291
Bill Weis	ERS Enforcement	415-744-2297
Robert Bornstein	ERS - Removal	415-744-2298
Robert Dorman	ORC - Law Clerk	" 744-1327
Linda Wardnes	Assistant Regional Counsel Office of Regional Counsel	" 744-1359
TIM LEFTWICH	SALON FE PRAIRIE MIN.	505-880-5300

B. Warnoc

Section 19, T.13N.R.10W.Bluewater Quadrangle

<u>Date</u>	<u>Owner</u>	<u>Operator</u>
Dec. 1895 to June 1897	Atchison Topeka and Sant Fe RR Company	N/A
June 1897 to Sept. 1951	Santa Fe Pacific RR Company	N/A
Sept. 1951 to Nov 30. 1961	Santa Fe Pacific RR Company	Haystack Mountain Development Company
Dec. 1, 1961 to Dec. 1, 1967	Santa Fe Pacific RR Company	Henri T. Dole (Deceased)
Dec. 1, 1967 to April 14, 1975	Santa Fe Pacific RR Company	N/A
April 15, 1975 to Feb. 1985	Santa Fe Pacific RR Company	George Warnoc (Todilto Exploration and Development Co.)